MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2019 / 2020

DOT5014 – ORGANISATIONAL THEORY

(All Sections/Groups)

25 OCTOBER 2019
3:00 p.m – 5:00 p.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 10 pages with 2 sections.

2. Attempt **ALL** questions in Section A and Section B. The distribution of the marks for each question is given.

3. Please write all your answers for Section A on the OMR form provided and all answers for Section B in the Answer Booklet provided.

SECTION A: Multiple Choice Questions (40 Marks)

1. Organisational _____ is a set of shared values and norms that controls organisational members' interactions with each other and with people outside the organisation.
   A. culture
   B. design
   C. hierarchy
   D. structure

Terminal value is a desired end state or outcome that people seek to achieve.

Statement 1

2. Based on Statement 1 above, which of the following is an example of terminal value?
   A. Being honest.
   B. Excellence.
   C. Working hard.
   D. Taking risks.

3. Which of the following terms is **CORRECT** to define standards or styles of behaviour that are considered acceptable or typical for a group of people?
   A. Coaxial.
   B. Norms.
   C. Beliefs.
   D. Authorial.

4. Katherina is a newly hired sales trainee. Manager Kim encouraged her to go into the marketplace, meet customers, and sell products her own way, so that she can learn the appropriate tactics on her own. Which of the following examples **BEST** describes this situation?
   A. Serial socialisation tactic.
   B. Sequential training program.
   C. Institutionalised role orientation.
   D. Individualised role orientation.

5. Rites of _____ build and reinforce common bonds between organisational members.
   A. passage
   B. responsibility
   C. enhancement
   D. integration

Continued...

Every year, EagleStar Sdn Bhd. gives the Excellence Award & Merit Bonus to those individuals who most consistently demonstrate initiative, focus, dedication, and persistence.

Statement 2

6. Statement 2 above is an example of _____ rite.
   A. integration
   B. enhancement
   C. responsibility
   D. passage

7. Which of the following is a source of organisational culture?
   A. Environmental richness.
   B. Property rights.
   C. Environmental dynamism.
   D. Organisational specialisation.

8. Which of the following statements is most likely to be **TRUE** regarding organic organisational structure?
   A. Organic structure is taller than mechanistic structure.
   B. Organic structure is highly centralised.
   C. In organic structure, people are encouraged to be creative and to take risks.
   D. Organic structure encourages a culture in which predictability and stability are the desired end states.

9. Steven is a manager in Pro-Dynamic Ltd. He believes that it is alright to give illegal bribes to city officials to get favourable decisions. Which of the following approaches to corporate social responsibility could **BEST** describe his stance?
   A. Proactive.
   B. Accommodative.
   C. Defensive.
   D. Obstructionist.

10. Which of the following terms refers to a manager's duty or obligation to make decisions that nurture, protect, enhance, and promote the welfare and well-being of stakeholders and society as a whole?
    A. Social integration.
    B. Organisational citizenship.
    C. Organisational ethics.
    D. Social responsibility.

Continued...

- The interactions of the members of a surgical operating team.
- The cooperative efforts of scientists in a research and development laboratory.
- Techniques developed by assembly-line workers.

Statement 3

11. Which of the following technology levels is **CORRECT** pertaining to the examples shown in Statement 3?
    A. Functional.
    B. External resource.
    C. Environmental.
    D. Organisational.

12. Organisations that use _____ technology usually make one-of-a-kind customised products.
    A. sequential-process
    B. continuous-process
    C. small-batch and unit
    D. large-batch and mass production

13. Which of the following technologies is **MOST** likely to be used for producing massive volumes of standardised products, such as cars, razor blades, aluminum cans, and soft drinks?
    A. Small-batch technology.
    B. Continuous-process technology.
    C. Large-batch and mass production technology.
    D. Sequential-process technology.

14. Which of the following statements is **TRUE** regarding large-batch and mass production technology?
    A. In the case of this technology, any machines used during the conversion process are less important than people's skills and knowledge.
    B. This technology allows tasks to be specified and programmed in advance.
    C. This technology is typically used for producing customised products in small quantities.
    D. This technology has the lowest level of technical complexity.

Continued...

15. According to the theory of Charles Perrow, task _____ is described as the number of new or unexpected situations that a person encounters while performing a task.
    A. variability
    B. customisability
    C. analysability
    D. adaptability

16. Which of the following types of technology has high task variability and high task analysability?
    A. Nonroutine research.
    B. Routine manufacturing.
    C. Engineering production.
    D. Craftswork.

17. Usually, an organisation will be using mediating technology for reducing uncertainty. This is part of the organisation's strategy to _____.
    A. create slack resources
    B. produce only a narrow range of outputs
    C. use vertical integration
    D. increase the number of customers served

18. Which of the following statement is **TRUE** about just-in-time (JIT) inventory system?
    A. JIT makes it difficult for an organisation to respond quickly to the changing customer preferences.
    B. JIT requires the use of CAMM to work effectively.
    C. JIT decreases technical complexity.
    D. JIT decreases task interdependence.

General hospital or research and development laboratory usually need high cost of coordination. Their form of task interdependence is reciprocal.

Statement 4

19. Which of the following types of technology **BEST** describes Statement 4 above?
    A. Mediating.
    B. Long-linked.
    C. Intensive.
    D. Continuous-process.

Continued...

20. A combination of dedicated machines and fixed workers are referring to _____. Usually, it will make an organisation inflexible.
    A. mass production
    B. fixed automation
    C. materials technology
    D. continuous-process technology

21. Which of the following terms refers to the stages of growth and development through which organisations may pass?
    A. Organisational metamorphosis.
    B. Organisational decentralisation.
    C. Organisational integration.
    D. Organisational life cycle.

22. Which of the following statements is most likely to be **TRUE** regarding an organisation that follows r-strategy?
    A. Organisations following r-strategy always concentrate their competences and skills to compete for resources in a single niche.
    B. Typically, r-strategy is used by that organisation which has diversified its business in unrelated areas.
    C. An organisation following r-strategy obtains first-mover advantages.
    D. Typically, organisations use r-strategy when they are operating in an oligopoly.

23. _____ use their well-developed competences to compete for resources in many or all niches in an environment.
    A. Organisations following K-strategy
    B. Specialist organisations
    C. Generalist organisations
    D. Organisations following r-strategy

24. An entrepreneur designs a new product. Which of the following strategies is **MOST** likely to be pursued by the entrepreneur?
    A. K-generalist.
    B. K-specialist.
    C. r-generalist.
    D. r-specialist.

Continued...

25. Which of the following stages of organisational life cycle does the organisation develop value-creation skills and competences that allow them to acquire additional resources?
    A. Clustering.
    B. Birth.
    C. Decline.
    D. Growth.

26. Which of the following terms is describing the process by which organisations in a population become more alike or similar?
    A. Organisational institutionalisation.
    B. Cultural clustering.
    C. Organisational isomorphism.
    D. Natural selection.

27. LME Sdn Bhd is a new company. They tend to imitate the structure and processes of successful organisations when the environment is highly uncertain. This process of imitation is an example of _____ isomorphism.
    A. natural
    B. mimetic
    C. normative
    D. coercive

> An organisation that increasingly depends on other organisations will tend to adopt their values and norms This makes the organisations become increasingly similar to them.

Statement 5

28. Which of the following organisational isomorphism **BEST** describes the example in Statement 5 above?
    A. Coercive isomorphism.
    B. Normative isomorphism.
    C. Natural selection.
    D. Environmental institutionalisation.

29. Which of the following is one of the five stages in Greiner's model of organisational growth?
    A. Direction.
    B. Association.
    C. Integration.
    D. Centralisation.

Continued...

30. Which of the following statements is most likely to be **TRUE** regarding organisational inertia?
    A. An increase in organisation inertia leads to a proportional increase in economies of scope.
    B. An increase in organisation inertia leads to a proportional decrease in division of labor.
    C. Overly bureaucratic culture is one of the factors that cause organisational inertia.
    D. Organisational inertia is due to forces outside an organisation that make it difficult for the organisation to change.

31. The term that refers to the process of responding to a problem by searching for and selecting a solution or course of action that will create the most value for organisational stakeholders is called _____.
    A. organisational learning
    B. organisational decision-making
    C. organisational isomorphism
    D. organisational development

32. Which of the following terms refers to a limited capacity to process information?
    A. Planning fallacy.
    B. Hindsight bias.
    C. Cryptomnesia.
    D. Bounded rationality.

33. The decision making becomes a(an) "_____" in which problems, solutions, and people all mix and contend for organisational action.
    A. Exploration
    B. Experiment
    C. Garbage can
    D. Satisficing

34. Which of the following are the levels of organisational learning?
    I. Interorganisational
    II. Organisational
    III. Structural inertia
    IV. Group

    A. I, II and III.
    B. I, II and IV.
    C. I, III and IV.
    D. II, III and IV.

Continued...

35. Organisational learning is the process through which managers seek to improve organisation members' desire and ability to understand. Which of the following are the two types of organisational learning?
    A. Structured and Unstructured.
    B. Association and Differentiation.
    C. Incremental and Radical.
    D. Exploration and Exploitation.

36. When an organisation uses this approach to knowledge management as this approach ensures that knowledge is carefully collected, analysed, and stored in databases. By doing so, it can be retrieved easily by users who input organisation-specific commands and keywords. Which of the following **BEST** describes this situation?
    A. Cognitive.
    B. Systems thinking.
    C. Personalisation.
    D. Codification.

37. Which of the following is one of the basic types of game in game theory?
    A. Illusion of control game.
    B. Frequency game.
    C. Sequential move game.
    D. Wheel configuration game.

38. Which of the following terms refers to an informal organisation of managers that is set up parallel to the formal organisation structure to "shadow" the decision making and actions of managers in the formal organisation?
    A. Collateral organisational structure.
    B. Incrementalist model.
    C. Groupthink model.
    D. Organisational coalitions.

39. Which of the following is the **CORRECT** order of the rational model?
    A. Problem identified, Solutions challenged, and Solution chosen.
    B. Solutions action, Diagnosis solutions, and Problem solving.
    C. Problem identified, Solutions suggested, and Solution chosen.
    D. Diagnosis solutions, Solutions Action, and Problem solving.

40. Which of the following terms refers to the system of interrelated beliefs, preferences, expectations, and values that predetermine responses to and interpretations of situations?
    A. Self-concordance.
    B. Cognitive structure.
    C. Cognitive dissonance.
    D. Self-control.

(Total: 40 marks)

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SECTION B: Structured Questions (60 Marks)

QUESTION 1

> An organisation should match its strategy and structure, so it can create value from its functional and organisational resources.

Statement 6

a) Based on Statement 6 above, identify and explain any **THREE (3)** levels of strategy that can be formulated by an organisation. (6 marks)

b) AVB Sdn Bhd has been operating for about 8 years in Malaysia. However, AVB is planning to open up another branch in Asian market. Describe any **THREE (3)** strategies that can be used by AVB to market their products and establish production facilities abroad. (6 marks)

c) Identify the **THREE (3)** business-level strategies that can be used by an organisation to lower costs and differentiate products. (3 marks)

(Total: 15 marks)

QUESTION 2

a) What are the **FIVE (5)** steps in Action Research? (5 marks)

b) Pro-Dynamic Sdn. Bhd. would like to make a change in the organisation due to changes and demand from the market. Raymond as a Human Resource Manager needs to promote the changes that will be implemented soon. Briefly describe any **FIVE (5)** organisational development (OD) techniques to promote change in the company. (10 marks)

(Total: 15 marks)

Continued...

QUESTION 3

a) The purpose of a Stage – Gate Development Funnel is to establish a structured and coherent innovation process that improves control over the product development effort and forces managers to make choices among competing new product development projects. Draw a complete diagram of Stage-Gate Development Funnel and label it correctly. (8 marks)

b) Based on the diagram that you have drawn in Question 3 (a), briefly explain those **THREE (3)** stages in the State-Gate Development Funnel. (6 marks)

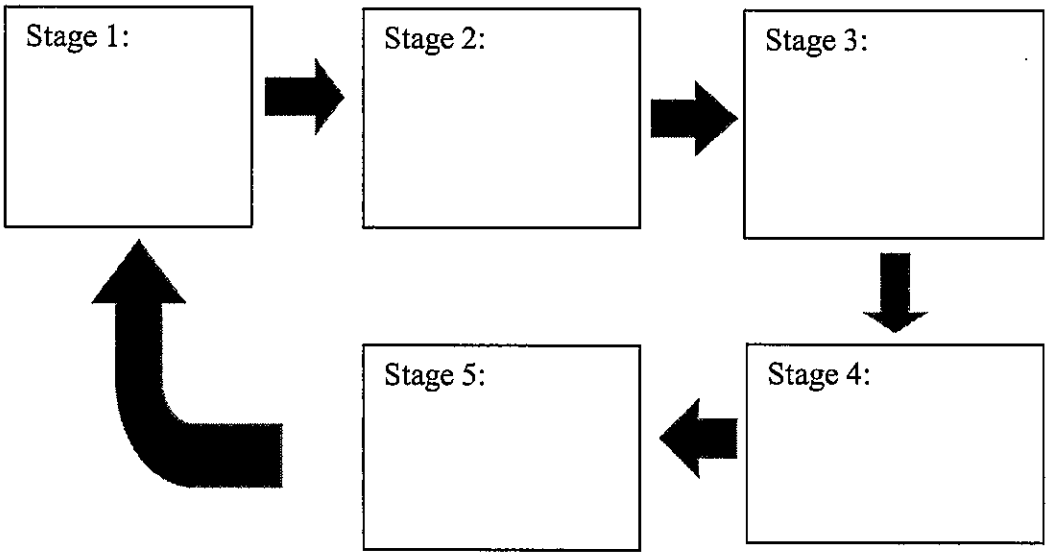
c) Define "Innovation". (2 marks)

(Total: 16 marks)

QUESTION 4

a) List any **FOUR (4)** sources of conflict. (4 marks)

b) Draw and complete the Pondy's Model of Organisational Conflict below in your answer booklet by providing the name and explanation for each stage.
(10 marks)



(Total: 14 marks)

End of Paper